

BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

Docket NO: 2009-479-WS

In Re:)
)
Application of United Utility Companies,)
Inc. for adjustment of rates and charges)
and modifications to certain terms and)
conditions for the provision of water and)
sewer service.)
_____)

**PETITION OF NORTH GREENVILLE
UNIVERSITY TO INTERVENE**

The Petitioner, North Greenville University, would respectfully show unto the Public Service Commission of South Carolina (the "Commission") as follows:

1. That Petitioner, North Greenville University, is a duly-constituted, charitable education institution headquartered in Greenville County, South Carolina, operating a full four-year college program for eligible college students.

2. That Petitioner entered into an agreement on or about July 9, 2001 with Greenville Timberline, SC, LLC ("Greenville Timberline") and United Utility Companies, Inc. ("United Utility" or the "Applicant") as evidenced by Exhibit A attached hereto and incorporated herein by reference. In this agreement, the Petitioner conveyed to United Utility the wastewater treatment plant in Tigerville, South Carolina whose rates are believed to be the subject of the Applicant's request.

3. That Petitioner is informed and believes that it is the largest customer of United Utility in Greenville County, South Carolina and that it has a business interest in the rate increases charged by United Utility.

4. That Petitioner is informed and believes that, as the largest customer of United Utility in Greenville County, South Carolina and because of its unique relationship with the wastewater treatment plant, being the former owner of the same in Greenville County, South Carolina, that it should be permitted to intervene in the above-captioned matter as a party defendant in opposing the rate increases sought by United Utility.

5. That Petitioner would show unto the Commission that the wastewater treatment plant conveyed by the Petitioner to United Utility in Greenville County, South Carolina, had been valued at \$1,000,000 and that the rate agreed to was that the Petitioner would be charged on the basis of 225 single-family equivalencies and was \$29 per single-family equivalency at the time Petitioner conveyed the wastewater treatment plant to United Utility.

6. That Petitioner would show unto the Commission that approximately two months after the conveyance of the wastewater treatment plant to United Utility, United Utility raised its rate, on or about March 3, 2002 to \$32.26 per single-family equivalency and has requested now that the Court approve a much higher rate, all of which, the Petitioner is informed and believes, would work an undue hardship upon the Petitioner and the other customers of United Utility in Greenville County, South Carolina who are similarly situated.

7. That Petitioner is informed and believes that the Applicant's request for any rate increase, and particularly any increase with regard to its operations in Greenville County, violates the intent and spirit of the agreement between the Petitioner and United Utility as set forth in Exhibit A, attached.

8. That the proposed rate increase set forth in United Utility's filing of November 17, 2009 is contrary to the Petitioner's agreement with United Utility and will cause substantial harm to its economic viability.

9. That the service ratepayers in South Carolina, in particular Greenville County, will be irreparably harmed by the Applicant's requested rate increase of approximately 53%, and that consumers have no adequate remedy at law for their injury.

WHEREFORE, Petitioner respectfully prays unto the Commission that it grant unto Petitioner leave to intervene as a party defendant in the above-captioned matter and to appear at a public hearing in Columbia, South Carolina, on Tuesday, March 23, 2010 at 10:30 a.m. to testify and introduce evidence in connection with the proposed rate increase of United Utility. Petitioner estimates its presentation will require forty-five (45) minutes to one and one-half (1 ½) hours.



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January 13, 2010

AGREEMENT FOR ASSET ACQUISITION AND WASTEWATER SERVICE
NORTH GREENVILLE COLLEGE - GREENVILLE TIMBERLINE S.C. LLC -

UNITED UTILITY COMPANIES, INC.

This Agreement entered into this 9 day of July 2001, by and between North Greenville College ("NGC") and Greenville Timberline S.C., LLC ("GTSC") (hereinafter collectively referred to as "Sellers"), and United Utility Companies, Inc., a South Carolina corporation, (hereinafter referred to as "Utility").

WITNESSETH

WHEREAS, Sellers are the owners or are duly authorized to act on behalf of the owners of certain real property including a regional wastewater utility system which has been installed and interconnected to provide central wastewater service to NGC Campus (the "Campus") and residences (the "Residences") constructed or to be constructed contiguous to the Campus in Greenville County, South Carolina. Both Campus and Residences are more fully described on Exhibit 1 attached, (hereinafter collectively referred to as the "Property"); and

WHEREAS, Utility is a South Carolina corporation, that is engaged in the business of furnishing wastewater utility service to the public in Greenville County, South Carolina. Utility desires to acquire, and Sellers desire to sell the wastewater treatment plant, wastewater collection facilities, and all other assets utilized in the provision of wastewater utility service to the Property (collectively hereinafter referred to as the "Facilities"), excluding the wastewater collection system located on the Campus, subject to the terms and conditions of this Agreement.

WHEREAS, GTSC is in the process of developing the Residences into a residential community which will contain approximately 425 homes when completed and NGC is a four-year college which may from time to time expand the service to the Campus as determined by its Board, and

WHEREAS, Sellers desire the Utility to provide wastewater utility services to the Property according to the terms, conditions and covenants of this Agreement.

WHEREFORE, IN CONSIDERATION of the mutual covenants hereinafter set forth, the parties hereto agree as follows:

I. Service by Utility

Subject to the terms and conditions of this Agreement as hereinafter set forth, Utility shall operate and maintain a utility system providing wastewater utility service to the

Exhibit "A"

public in the Property in accordance with this Agreement and the regulations of appropriate regulatory agencies and governmental authorities.

2. Representation and Warranties of Sellers

Sellers represent and warrant to Utility:

- (a) That Sellers are the owners of or are duly authorized to act on behalf of owners of the Property and Facilities, and
- (b) That Sellers will cooperate with Utility in any and all applications or petitions to public authorities deemed necessary or desirable by Utility in connection with the construction, installation and operation of the Facilities contemplated by this Agreement.

3. Title to Facilities

- (a) Attached hereto as Exhibit 2 is a detailed list of the existing Facilities of Sellers showing their respective installation or construction costs to be acquired by Utility pursuant to this Agreement. Said Facilities include all wastewater utility assets and related equipment owned by the Sellers within the Property, including but not limited to one (1) 200,000 gpd wastewater treatment plant; and a complete central wastewater collection system. However, all wastewater collection mains, man holes and related facilities located within the Campus up to the point of interconnection to the wastewater treatment plant grounds will remain the property of NGC. NGC will be responsible for operating and maintaining the wastewater collection facilities located within the Campus. All Facilities as indicated on Exhibit 2 will be in satisfactory operating condition as of the date of Closing.
- (b) Sellers shall furnish Utility with copies of all Facilities construction invoices and lien waivers from all suppliers, sub-contractors, lessors and all others who furnish labor, equipment, materials, rentals, or who perform any services in connection with the Facilities construction herein.
- (c) Attached hereto as Exhibit 3 is a list signed by the Sellers and briefly describing, as of the date of this Agreement, the following:
- (d) All pending or threatened actions at law, suits in equity or administrative proceedings relating to the Facilities and/or involving Sellers.
- (e) All contracts or obligations of any nature relating to the Facilities between Sellers and any other party.

(f) All liens and encumbrances with respect to the Facilities owned by Sellers to be transferred hereunder.

(g) Except as indicated on Exhibit 3, there are no pending or threatened actions at law or suits in equity relating to the Facilities, or any pending or threatened proceedings before the South Carolina Public Service Commission (the "Commission") or any other governmental agency.

(h) Except as described on Exhibit 3, there are no contracts or obligations of any nature between Sellers and any other party relating to the Facilities.

(i) Sellers are, and at the Closing will be, the owner of the Facilities described in Exhibit 2, with good and marketable title to the said Facilities, free and clear of all liens and encumbrances except as indicated on Exhibit 3.

(j) Sellers have, or at the Closing will have, all necessary permits, licenses and easements (including sufficient rights to access) for the Facilities; the Facilities have been installed within the easements relating thereto and in accordance with any necessary permits or licenses; the Facilities have been constructed and will be capable of operation in accordance with at least the minimum standards, requirements, rules and regulations of all governmental bodies and regulatory agencies which may have jurisdiction thereover.

4. Construction of Additional Facilities by Sellers

(a) Sellers shall construct and/or install all necessary additional wastewater facilities such as wastewater mains, lift stations, manholes, service lines, wastewater main extensions and other facilities reasonably required to provide adequate sanitary wastewater service (in accordance with applicable governmental and Utility standards) to all new wastewater customers to be constructed within the Property. However, Sellers shall not be responsible for any upgrades or expansions to the 200,000 gpd wastewater treatment plant, except as required in Subparagraph (d) herein.

(b) All Facilities constructed and installed by Sellers pursuant to Subparagraph (a) of this Paragraph 4 shall be constructed and installed without cost or expense to Utility.

(c) All of the Facilities to be constructed and installed by Sellers pursuant to Paragraph 4 of this Agreement, excluding extensions to the wastewater collection system located within the Campus, shall become the property of Utility as installed without the requirement of written documents of transfer. Utility shall own, operate and maintain as its sole responsibility and shall have all right, title and interest as sole

owner of such Facilities. Sellers shall execute all conveyances, licenses and other documents reasonably requested by Utility as necessary or desirable in its opinion to insure its ownership of, ready access to, and operation and maintenance of such Facilities.

(d) Sellers further agree to complete the following actions prior to closing:

- i. Install a 90kW diesel generator and related appurtenances at the wastewater treatment plant to provide backup electrical power.
- ii. Install an all-weather access road to the wastewater treatment plant to facilitate sludge removal.
- iii. Install a four-inch (4") steel sludge removal line from the wastewater treatment plant digester to the all-weather access road.
- iv. Complete construction of a service building/bathroom facility at the wastewater treatment plant site.
- v. Repair any deficiencies with the existing Phase I wastewater collection main system.
- vi. Install a flow proportional sampler on the wastewater treatment plant effluent line.

(e) All plans, specifications and construction pursuant to this Paragraph 4, including facilities to be constructed or installed prior to closing, shall be in accordance with applicable standards, requirements, rules and regulations of all agencies of the State of South Carolina and the County or municipal jurisdiction within which the Property is situated, and shall have received the written approval of Utility before construction is begun, which approval shall not be unreasonably withheld or delayed.

5. Maintenance of Facilities

(a) Upon installation and/or transfer of the additional and existing Facilities, Utility agrees to supply all customers within the Property with adequate and customary wastewater utility service, and to operate, maintain and repair all Facilities as indicated herein.

(b) Sellers agree to maintain existing Facilities in proper condition and are wholly responsible for all expenses required to maintain and or repair existing facilities until such time as transfer of ownership is authorized.

(c) NGC will be responsible for proper operation, maintenance and repair of all wastewater collection lines located within the Campus, including but not limited to

grease traps. Wastewater from NGC is required to be domestic in nature and must not exceed pollution standards for domestic waste. NGC agrees that no hazardous waste is to be discharged into its sanitary wastewater system. NGC also agrees that inflow/infiltration is to be minimized within the on-campus wastewater collection system. Utility agrees to provide wastewater treatment, on a bulk basis per Paragraph 7 herein, for all wastewater generated by NGC.

(d) NGC will be responsible for all maintenance and or repair of the pond and adjacent fence located within the wastewater treatment plant grounds.

(e) Following Closing, Utility agrees to install noise abatement materials around the main wastewater treatment plant blowers to reduce noise.

6. Easements

Sellers shall convey to Utility or provide by recorded subdivision plats, in either case at no cost or expense to Utility, such easements or rights-of-way for the Facilities and the use, operation maintenance thereof as Utility shall reasonably require for the performance of Utility's obligations under this Agreement to include anticipated wastewater treatment plant expansions. Such plats or conveyances shall be in a form satisfactory to Utility's and Sellers' respective legal counsels.

7. Usage Rates

(a) Wastewater usage charges and service fees shall be rendered by Utility in accordance with Utility's rates, rules and regulations and conditions of service from time to time on file with the Commission and then in effect.

(b) The existing facilities of the NGC as of the execution date of this agreement will be charged based on 225 Single Family Equivalents. If the Utility's flow measurements establish the existence of excessive inflow/infiltration ("I&I") into the Utility's wastewater system, NGC shall pay a wastewater user charge for the I&I based upon the applicable tariff in effect at the time of determination of excessive I&I.

8. Connection or Tap-On Fees

In consideration of the undertakings of Sellers pursuant to this Agreement, Utility hereby agrees to waive 25 future Single Family Equivalent tap-on fees for NGC. Other new connections or additional usage by NGC beyond the Single Family Equivalent tap-on fees waived herein will be charged a tap-on fee on a Single Family Equivalent basis in accordance with our tariff on file with the Commission. Utility agrees that the tap-on fee for the first 116 lots in the Residences will be assessed at

\$500 per Single Family Equivalent. Tap-on fees for lots in the Residences beyond 116 lots will be charged a tap-on fee on a Single Family Equivalent basis in accordance with our tariff on file with the Commission.

9. Approvals

This Agreement is expressly contingent upon obtaining written approval of this Agreement in its entirety by the Commission. Utility will submit this Agreement within thirty (30) days of full execution, along with any other required documentation to the Commission for approval. Sellers shall cooperate fully with the Utility in any and all applications or petitions to public authorities deemed necessary or desirable by Utility in connection with (i) obtaining an extension of Utility's Service Area, (ii) Commission approval of the terms and conditions contained within this Agreement, and (iii) construction and installation of the wastewater collection facilities contemplated by this Agreement.

10. Closing

- (a) The Closing hereunder shall take place within ten (10) days following approval of this Agreement by the Commission at the offices of Sellers' counsel, or at such other time and place as Sellers and Utility may agree upon.
- (b) At the Closing, the Sellers will, upon due performance by Utility of its obligations under the Agreement, deliver to Utility:
 - (i) such good and sufficient easements, bills of sale with covenants of warranty, and sufficient instruments of sale, in form and substance satisfactory to Utility's counsel, as shall be required to vest in Utility good, indefeasible and marketable title to all of the Facilities used or to be used for wastewater treatment or collection in the Property, free and clear of liens and encumbrances except as indicated on Exhibit 3;
 - (ii) all of the files, documents, papers, agreements, books of account, customer lists, original cost invoices, engineering drawings, and records pertaining to the wastewater utility business conducted by Sellers in the Property, other than their minute books and stock records, and any other records reasonably needed by Sellers;
 - (iii) all orders, permits, licenses, franchises, or certificates issued or granted to Sellers by any governmental authority in connection with any authorization related to the construction, operation or maintenance of its Facilities or the conduct of their wastewater utility businesses; and

(iv) an opinion of Counsel for Sellers, dated as of the Closing, that upon the execution of this Agreement; delivery to Utility of the Bill of Sale for the Facilities; and the approval of the Commission of these transactions that Utility will then have good and marketable title to the Facilities, free and clear of all liens and encumbrances.

(b) At the Closing and from time to time thereafter, Sellers shall, at the request of Utility, take all action necessary to put Utility in actual possession and operating control of the Sellers' Facilities and shall execute and deliver such further instruments of sale, conveyance, transfer and assignment, and take such other action as Utility may request, in order more effectively to sell, convey, transfer and assign to Utility any of the Facilities, to confirm the title of Utility thereto and to assist Utility in exercising rights with respect thereto.

11. Purchase Price

The amount of the Purchase Price (the "Purchase Price") shall be \$10.00 (Ten Dollars), increased by the amount of any cash or current accounts receivable (which Sellers represent and warrant will be collected at their face amount) transferred by Sellers to Utility and decreased by any liabilities (current, accrued, long-term or other) assumed by Utility.

12. Indemnification

Sellers shall save and hold Utility harmless from and against all suits or claims that may be based upon any injury to any person or property that may occur within the Property in the course of the performance of the construction of the Facilities by Sellers or by anyone acting on Sellers' behalf, or under Sellers' supervision and control, including, but not limited to claims made by employees of Sellers.

13. Delays

Neither party to this Agreement shall be liable to the other for failure, default or delay in performing any of its obligations hereunder, if such failure, default or delay is caused by strikes or other labor problems, by forces of nature, unavoidable accident, fire, acts of public enemy, interference by civil authorities, passage of laws, orders of court, adoption of rules, ordinances, acts, failure to act, decisions or orders or regulations of any governmental or military body or agency, office or commission, delays in receipt of materials, or any other cause, whether of similar or dissimilar nature, not within the control of the party affected and which, by the exercise of due diligence such party is unable to prevent or overcome.

14. Utilities

The Sellers will be responsible for all costs, if any, to establish separate phone, water and electric utility accounts for the Facilities including any costs required by the providers of these services to install dedicated lines to the Facilities.

15. Assignment

This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns.

16. Governing Law, Notices, Etc.

This Agreement is intended to be performed in the State of South Carolina and shall be governed by the laws of the State of South Carolina. The failure of either party hereto to enforce any of the provisions of this Agreement or the waiver thereof in any instance by either party shall not be construed as a general waiver or relinquishment on its part of any such provisions, but the same shall, nevertheless, be and remain in full force and effect. This Agreement sets forth the complete understanding between Sellers and Utility and supersedes all prior agreements with respect to service to the Property. Any amendments hereto to be effective must be made in writing.

17. Notices

Notices, correspondence and invoicing required hereunder shall be given to Sellers and to Utility at the following addresses, or at any other addresses designated in writing by either party subsequent to the date hereof:

If to Sellers: North Greenville College
P.O. Box 1892
Tigerville, SC 29688

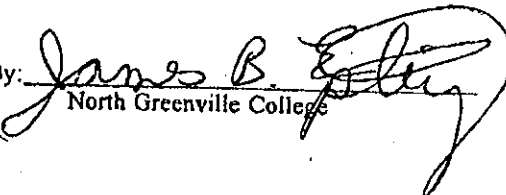
Greenville Timberline S.C., LLC
100 Laurel Way
Tigerville, SC 29688

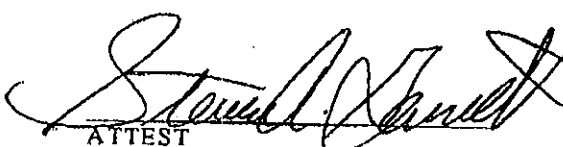
If to Utility: United Utility Companies, Inc.
P.O. Box 4509
West Columbia, SC 29171

Delivery, when made by registered or certified mail, return receipt requested, shall be deemed completed upon mailing.


IN WITNESS WHEREOF, this Agreement is executed on the date first
above written.


James B. Epting (President)

By: 
North Greenville College

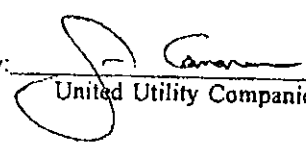

ATTEST

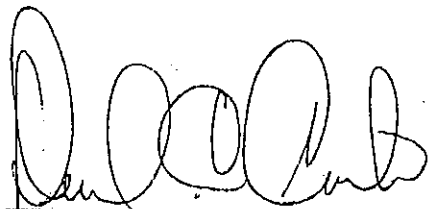
Cliff Brown

By: 
Greenville Timberline S.C., LLC


ATTEST

James Camaron. (Chairman and C.E.O.)

By: 
United Utility Companies, Inc.


ATTEST

BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

Docket NO: 2009-479-WS

In Re:

Application of United Utility Companies,
Inc. for adjustment of rates and charges
and modifications to certain terms and
conditions for the provision of water and
sewer service.

CERTIFICATE OF SERVICE

This is to certify that service of **Petition to Intervene** was made on the attorneys for the Plaintiff and Defendant in the above action on 13 day of January, 2010, by causing the same to be deposited in the United States mail with sufficient postage attached thereto, and addressed as follows:

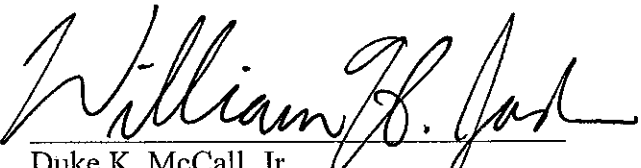
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January 13, 2010


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